

CITY COMMISSION
Las Cruces, New Mexico

A Special Meeting of the City Commission of the City of Las Cruces, New Mexico, was held at the Public Safety Building on Thursday, April 6, 1967, at 7:30 p.m.

Commissioners present: Mayor T. J. Graham, R. Lee Stryker, Herculano Ferralez and Juan Gomez.

City Staff:
Manager A. J. Vasilakis, Attorney
George Schmitt, Administrative Engineer
D. R. Roser, Utilities Director H. U.
Gaines, Chief Accountant Richard Ratcliff,
Administrative Assistant Walter Posey,
and Secretary Dorothy Culver.

The meeting was called to order by Mayor Graham.

1. AIRCRAFT HANGAR BUILDINGS.

This meeting was held for the purpose of hearing suggestion, recommendations, and desires of those involved in relocating aircraft and hangars from the East Airport to the West Airport, as well as answering their questions. The question and answer session follows:

MR. T. C. ASHBY (Spokesman for the group): We have several alternatives: move to the West Municipal Airport, find another airport (University, Sunland, or an El Paso Airport); form a corporation and build a private airport; or sell our aircraft. What is the disposition of the East Airport? What do you intend to do with the land?

MAYOR: There are no definite plans regarding the disposition, which possibly constitutes about 97 acres. We have had no particular offers. It will probably be used for some type of civic project rather than sell it for private enterprise, possible site for a community center, etc.

MR. ASHBY: What provisions have been made, or arrangements, to displace the present operator, Mr. Crawford?

MAYOR: Mr. Crawford has either entered, or will enter into an agreement with the operator of the West Airport. I do not know the terms; the last information was that he had come into an agreement where Mr. Crawford would be employed in instruction and some other function.

MR. ASHBY: Is the City going to place pressure on the University to close their airport?

MAYOR: We are in no position to place pressure on them for anything.

ASHBY: We are concerned about who will manage the West Airport, enforce City rules and regulations, receive rent and what percentage of rent will he receive for his services?

MANAGER: For service, collection of rent, etc., 20 percent.

MAYOR: All charges and rates have to be approved by the City.

ASHBY: There are two or three licensed mechanics and inspectors that would like to keep their equipment and work as they are now, without restrictions.

MAYOR: This would have to be worked out with those who are licensed; this would, in all probability, be in conflict with our contract with the operator as he is paying the City a percentage on his mechanic work done at the airport. There is no such thing as an exclusive contract; if anyone cares to engage in mechanic work for hire, he could work out a similar agreement with the City which would not be in conflict with Mr. Roberts' agreement.

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MANAGER: There is doubt this could be done within the leased area; perhaps an additional area could be set up for this purpose, but doubt that it could be permitted in this area.

ASHBY: We are concerned over "T" hangars providing enough storage area for tools and accessories and other equipment. We would like to have a square type room for these other facilities.

MANAGER: A "T" hangar provides no extra space; if more space is desirable, an additional building could be built.

ASHBY: What about the property that these people own? Will there be a reimbursement or allowance for equity? And will there be a reasonable time to remove property from the East Airport?

MAYOR: We are making a study of the buildings that are on the present East Airport, and location at the West Airport. As far as time element, a reasonable length of time will be given to give them the opportunity to discuss it with the City officials and come to some agreement. It will not be an overnight transfer.

ASHBY: I have been speaking in general terms, as a group, not for each individual.

Mayor Graham asked for other questions.

MR. PANOS: We cannot encounter too much added expense in this hobby. We don't feel that we can take a \$4,000 airplane and pay \$35 a month for hangar space.

Financing of hangars was discussed at length and the possibility of financing them over a 20-year period instead of a 10-year period was considered. However, it was the opinion of the Accountant that the interest would be higher. It was noted that the City cannot pay a higher interest rate than six percent.

MANAGER: Open hangars would get us down in the \$20 or \$18 per month rent. The City can build them as cheap or cheaper than an individual could.

MR. ASHBY: What happened to plans for Municipal bonds at 4 percent?

MAYOR: There no longer is 4 percent interest. Bonding companies are not interested in buying \$50,000 worth of bonds. The interest rate would be at least six percent, if you are lucky. We would probably have to pay six percent on a revenue bond, on small issue.

MR. PANOS: How do these rates compare with the rest of the country, depending upon convenience and location? If you drive a distance, the rate is cheaper.

COMMISSIONER FERRALEZ: What is the average rate on one hangar at the East Airport at this time?

MR. ASHBY: I now pay \$15 per month for an open hangar from C. B. Smith.

MR. HUMPHRIES: A friend pays \$25.

MR. ROSS: What are the proposed tie-down fees?

MANAGER: \$7.50. The University charges \$7.50

AIRCRAFT OWNER: It is my understanding that the University charges \$5.

MANAGER: According to the University, they are supposed to be charging \$7.50.

MR. PANOS: I would rather pay \$7.50 at the University than at West.

MAYOR: We are trying to get a figure that will be fair. No member of the City Commission wants to go into the hangar business, but we told this group we would make every effort to move them to the Municipal Airport and we want to make it as reasonable as we possibly can. If we can bring the rent down, that is the way we will go. We want to start with some general figure; there will be \$15 difference between open and closed hangars.

AIRCRAFT OWNER: Is it definite that the East Airport is gone?

MAYOR: Yes; it will be closed as fast as this can be done. It has taken three years so far.

COMMISSIONER FERRALEZ: On the basis of about \$15 difference between closed and open, how many would rather have a closed hangar, and how many would prefer an open hangar?

AIRCRAFT OWNER: This must be based on several considerations. The door must be away from the wind.

MR. PANOS: If the hangars could be financed for 20 years, at 100 percent occupancy, could the rent be reduced to \$25 for closed hangars, and open hangars down to about \$15?

COMMISSIONER FERRALEZ to Mr. Crawford: How many are renting, and do not own hangars?

MR. CRAWFORD: Four.

COMMISSIONER FERRALEZ: How many would consider renting at \$25?
(Two raised hands)

MR. ASHBY: If we could keep the rent down, it would promote aviation to have reasonable hangars.

MAYOR: Our primary concern at this time is providing hangars. TO MR. CRAWFORD: How many planes are now hangared at the East Airport:

MR. CRAWFORD: About 20. If you rent hangars at \$25, you will have 100 percent occupancy. About 12 own both hangars and planes.

COMMISSIONER GOMEZ? Let these people build their own hangars and finance them themselves. I would rather let them go ahead and negotiate for their own structures. Then they would have something that belong to them.

MAYOR: If you build a hangar for a given number of years at a certain land rental, then that property becomes the property of the governmental agency and it belongs to whomever owns the land. Our obligation is to make every effort to see that these planes are hangared when the East Airport is closed.

COMMISSIONER GOMEZ: At least an equity is built up and can be transferred. A return can be realized on the investment.

AIRCRAFT OWNER: Will we be reimbursed for our hangars?

COMMISSIONER FERRALEZ: There will be a compensation, which will have to be done on an individual basis and appraisals. The method of compensation is to be worked out. I think we have reached a point where we can make a formal decision tonight, considering the fact that you people have planes at the East Airport and are the only reason why we are going to this extent in trying to find some solution. I propose that this Commission instruct the staff to proceed on a 20-year financing plan with the quoted figures of \$25 on closed hangars and \$15 on open hangars, and that we construct ten of each. I SO MOVE. Commissioner Gomez seconded the motion.

The Mayor called for discussion on this motion.

MR. STULTING: Can the open hangars be converted to closed hangars?

MANAGER: No; it is my understanding that they cannot be converted.

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MR. CRAWFORD: Are the "T" hangars suitable for twin-engine type planes?

MR. ROSER: Yes.

MANAGER: This proposal provides only 20 percent to the operator. All expenses of getting ground prepared, etc., not considered. I will be glad to make studies, but it appears that normal practice, etc., exceeds the figures quoted here. The necessity of charging a fair rental remains with us. Our duty is to come up with a figure that will pay for these things and not subsidize them. We are not providing these hangars to make a lot of money. If the hangars are financed for 10 years, the City will realize some income after that time. If financed for 20 years, and low rental charged, then the life of the hangar is gone and you must build another hangar, but still have no money to do so.

COMMISSIONER FERRALEZ: Could we charge the people involved in this situation now the rents that have been quoted by Mr. Ratcliff and provide that whenever the aircraft changed hands or the individual discontinues flying and the hangar is rented, we could go to a higher rent?

MANAGER: There is a possible alternative to determine a proper rental fee to anyone, but allow these people an allowance.

MR. ROSS: Would it be possible to take part of the equity as part of the rent? We would still pay \$35 rental, less perhaps \$10 credit, or similar plan.

COMMISSIONER FERRALEZ: I withdraw my motion to propose a ten-year financial arrangement with the stipulation that the present owners of hangars at the East Airport be negotiated with individually for renting of the new hangars at the West Airport, based on a \$35 per month for closed hangar and \$20 per month for open hangar.

COMMISSIONER STRYKER: May I suggest leaving the financial arrangement off the motion to allow the hangars to amortize on whatever time it takes, based on 80 percent occupancy.

COMMISSIONER FERRALEZ: I agree to this amendment and would also like to include in the motion the award of bid to Agriculture Building Company on the basis of the bid submitted by them. (For one closed and one open hangar.) Commissioner Gomez seconded the motion, which was unanimously VOTED.

MR. HUMPHRIES: Does this close the door on building individual hangars?

MAYOR: No.

2. ORDINANCE NO. 637--Commission Bill No. 67-14
An Ordinance Adopting the Uniform Housing Code
1964 Edition and Repealing Ordinance No. 424

It was explained that when the City adopted the Housing Code, Ordinance No. 424 was not repealed. Commissioner Gomez moved for passage of this Resolution, requesting that in the future he would like to receive items of this nature in ample time to study the matter. Commissioner Stryker seconded the motion.

The City Attorney explained that the Municipal Housing Code stipulates either or both 90 days or \$350, or both. The state law provides either, not both, and 30 days instead of 90, and passage of this Ordinance would place the City in conformity with the state law.

A general discussion was held on differences and comparison of codes, and need under recertification. A roll call vote was called, with the following results:

Commissioner Gomez: Aye
Commissioner Ferralez: Aye
Commissioner Stryker: Aye
Commissioner Graham: Aye

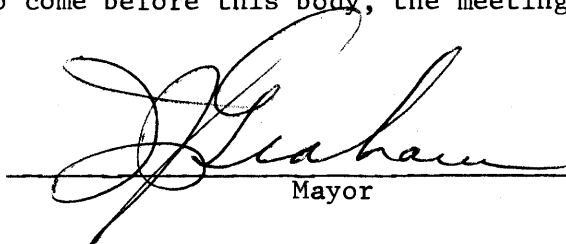
The presiding officer thereupon declared the motion carried and the Ordinance duly passed and adopted.

3. APPRAISAL FOR GOVERNMENT DAM SITE.

Mr. Pete Thornberry, Appraiser, presented his appraisal report of the government dam site, stating that he had placed valuation on the present market; also that he expects that possibly ten property owners would go to court to protest. The area involved includes 693.793 acres, (27 parcels of land) with an estimated value of \$463,775, owned by 22 owners. The largest tract consists of 277 acres; the smallest less than one-half acre. The evaluation report was discussed at length. Commissioner Ferralez moved that the Commission proceed with the firm of Lenko, Riordan, and Galvan, to handle negotiations (the law firm handling the matter for the City) and Mr. Thornberry on the above basis. Commissioner Stryker seconded the motion and it was unanimously VOTED.

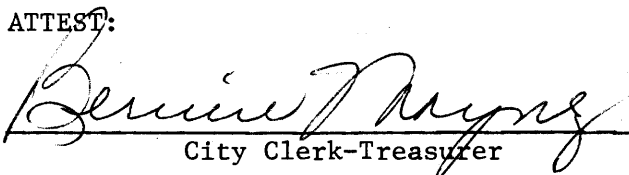
It was agreed to supply the Commissioners with an acreage schedule, listing individual owners and amount of appraisal.

There being no further business to come before this body, the meeting was adjourned.



Mayor

ATTEST:



City Clerk-Treasurer

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